



#31/Reply Brief
Attorney's Docket No.: 13466-002001
Lowman
8-4-03

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

Applicant : Thomas G. Woolston

Art Unit : 2164

Serial No. : 09/166,779

Examiner : Kyle, C.

Filed : October 6, 1998.

Title : METHODS AND APPARATUS FOR FACILITATING ELECTRONIC
COMMERCE TRANSACTIONS IN AN OFFER/COUNTER OFFER
EXCHANGE

Noted
CFL
8/7/03

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Commissioner for Patents
Washington, D.C. 20231

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REPLY BRIEF

Pursuant to 37 CFR 1.193(b)(1), Applicant responds to the new points raised in the Examiner's Answer as follows.

As an initial matter, as evidenced by various statements appearing throughout the Answer, the Examiner apparently believes that words or phrases must appear with a minimum threshold frequency in the specification before they can be given effect or having any meaning (see, e.g., "Appellant's single reference to the binding concept," "the word contract appears only two times in the specification," "'legal finality' appears only once in the specification"). Surely the Examiner is not suggesting that he is free to ignore claim terms and other words simply because they appear only once or twice in the specification? In any event, applicant is aware of no such requirement under the U.S. patent law and submits that the Examiner's reliance on such a principle is misplaced and constitutes legal error.

Group I Claims

Starting at page 4, and continuing throughout the Answer, the Examiner attempts to ignore the express language of the claims on appeal and instead focus on an artificial "essential point" concocted for this purpose. In particular, the Examiner argues that the "essential point" of

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the "invention" is a "contract binding feature," whatever that means. However, focusing on the "essential point" or "gist of the invention" in rejecting the claims, as the Examiner has done here, is clear legal error. Instead, the Examiner is invited to revisit the fundamentals of patent law in which, by statute, applicant is *entitled* to a patent *unless* the Examiner can establish, by pointing to evidence of record, that the patent claims are anticipated or rendered obvious by prior art of record. In doing so, the Examiner cannot, as was done here, rely on subjective belief and unknown authority or assertions of common knowledge and common sense.

Contrary to the Examiner's assertion, patentability of the Group I claims does *not* rise or fall on whether or not the prior art teaches a "contract binding feature." Rather, as pointed out in the Appeal Brief, the Group I claims are allowable over the art of record because the Examiner has failed to identify prior art that discloses or suggests a method as recited in the Group I claims for using a computer to facilitate a transaction between a seller and at least one buyer. The claimed method includes receiving at the computer a binding offer, including a binding sale price, to sell an item, outputting the binding offer to sell to a plurality of potential buyers, and receiving acceptance of the binding offer to sell the item from at least one buyer, the buyer tendering acceptance by providing payment information.

Pages 7-9 of the Appeal Brief included a detailed explanation of why Ginter does not disclose or suggest the combination of features recited in the Group I claims and specifically addresses the portions of Ginter relied upon by the Examiner. Among other reasons noted, Ginter does not disclose or suggest using a computer to output a binding offer to a plurality of potential buyers and to receive acceptance of the binding offer from at least one buyer (e.g., in the form of providing payment information). The Appeal Brief further explained that a reason why Ginter does not disclose or suggest these features is that Ginter expressly states that its system comes in to play after a contract is formed *after* a contract is formed. Consequently, there is no reason why Ginter would disclose or suggest the features of Group I, and in fact Ginter does not.

Similarly, at pages 10-14 of the Appeal Brief, applicant explains with specificity why the other art cited does not anticipate or render obvious the Group I claims. Accordingly, Applicant

has clearly demonstrated why the Group I claim rejections are deficient – the Examiner's statement to the contrary is incorrect and not understood.

Group II Claims

In the Appeal Brief, applicant pointed out that the Examiner not only failed to identify a single reference to support the allegation that the Group II claim feature "allowing the buyer to post the item for re-sale without taking delivery of the item" was known in the art, but also apparently relied on the applicant's own specification as the motivation for making the obviousness rejection of the Group II claims. In response, the Examiner argues that applicant "cannot provide any evidence" that the shocking similarity between the Examiner's statement of motivation and applicant's own words in the specification is anything more than mere coincidence. The Examiner is correct – absent discovery mechanisms such as those available in civil litigation, applicant cannot prove that the Examiner used applicant's own disclosure as a blue-print for rejecting the Group II claims. However, applicant is confident that any objective observer would regard the coincidence of verbatim usage of applicant's language as an unsupported statement of motivation, plus the fact that not a single reference was cited in support of the rejection, as beyond the pale. It bears emphasis that, in rejecting the Group II claims, the Examiner concocted not only (1) the alleged prior art teaching of the relevant feature ("allowing the buyer to post the item for re-sale or auction without taking delivery of the item") but also (2) the motivation for combining that made-up teaching with the art of record. Clearly, if this rejection is upheld, it is difficult to imagine circumstances in which the Patent Office ever would be required to provide evidentiary support for its claim rejections.

Group III Claims

In refuting the rejection of the Group III claims, applicant noted that Ginter and the other art of record failed to disclose or suggest, *inter alia*, several features of the Group III claims. Here again, the Examiner's Answer ignores express claim features and instead focuses on whether Ginter discloses any type of "counteroffer", which of course is only one word among several recited in the claim. For reasons previously set forth, however, Ginter fails to disclose or

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suggest using a computer system to receive *a binding counteroffer that includes payment information sufficient to authorize payment of the counteroffer price*, and thus the Group III claims are allowable for at least this reason.

Conclusion

For these reasons, and the reasons stated in the Appeal Brief, Applicant submits that the final rejection should be reversed.

Please apply any charges or credits to Deposit Account No. 06-1050.

Respectfully submitted,

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